

EXHIBIT 1

1 SCOTT+SCOTT, ATTORNEYS AT LAW, LLP
 2 JOHN T. JASNOCH (CA. BAR NO. 281605)
 3 707 Broadway, Suite 1000
 4 San Diego, CA 92101
 Telephone: (619) 233-4565
 Facsimile: (619) 233-0508
 jjasnoch@scott-scott.com

5 *Counsel for Plaintiffs*

6 [Additional Counsel on signature page.]

FILED
SAN MATEO COUNTY

AUG 11 2016

Clerk of the Superior Court

By

DEPUTY CLERK

10 SUPERIOR COURT OF THE STATE OF CALIFORNIA

11 COUNTY OF SAN MATEO

12 CHARLES BLOOM AND SHARON
 13 BURNSTEIN, Individually and on Behalf of All
 14 Others Similarly Situated,

15 Plaintiffs,

16 vs.

17 GOLDMAN, SACHS & CO., MERRILL
 LYNCH, PIERCE, FENNER & SMITH INC.,
 18 DEUTSCHE BANK SECURITIES INC.,
 MORGAN STANLEY & CO. LLC, J.P.
 19 MORGAN SECURITIES LLC, MACQUARIE
 CAPITAL (USA) INC., and MCS CAPITAL
 20 MARKETS LLC,

21 Defendants.

Case No.

16CIV00884

**CLASS ACTION COMPLAINT FOR
 VIOLATIONS OF THE SECURITIES ACT
 OF 1933**

JURY TRIAL DEMANDED

16 - CIV - 00884
 CMP
 Complaint Filed
 146753



CLASS ACTION COMPLAINT

File By Fax

1 Plaintiffs Charles Bloom and Sharon Burnstein ("Plaintiffs"), individually, and on behalf of all
2 others similarly situated, by Plaintiffs' undersigned attorneys, for Plaintiffs' Complaint against
3 Defendants, alleges the following based upon personal knowledge as to Plaintiffs and Plaintiffs' own
4 acts, and upon information and belief as to all other matters, based on the investigation conducted by
5 and through Plaintiffs' attorneys, which included, among other things, a review of SunEdison, Inc.
6 ("SunEdison" or the "Company") press releases, Securities and Exchange Commission ("SEC") filings,
7 analyst and media reports, and other commentary, analysis, and information concerning SunEdison and
8 the industry within which it operates. Plaintiffs' investigation into the matters alleged herein is
9 continuing and many relevant facts are known only to, or are exclusively within the custody and control
10 of, the Defendants. Plaintiffs believe that substantial additional evidentiary support will exist for the
11 allegations set forth herein after a reasonable opportunity for formal discovery.

12 **NATURE AND SUMMARY OF THE ACTION**

13 1. Plaintiffs bring this action under §§11 and 12(a)(2) of the Securities Act of 1933 (the
14 "Securities Act") against the underwriters and financial advisors for SunEdison's August 19, 2015
15 Series A Perpetual Convertible Preferred Stock Offering (the "Offering"). The registration statement for
16 the Offering (the "Registration Statement") contained materially incorrect or misleading statements
17 and/or omitted material information that was required to be disclosed. Defendants are each strictly
18 liable for such misstatements and omissions and are so liable in their capacities as underwriters of the
19 Offering. For all of the claims stated herein, Plaintiffs expressly disclaim any allegation that could be
20 construed as alleging fraud or intentional or reckless misconduct.

21 2. SunEdison is a diversified developer of wind and solar energy projects, having developed
22 over 1,300 solar and wind projects in 20 countries. SunEdison misled investors by creating the picture
23 that the Company had the financial wherewithal to sustain continued growth. However, as the Company
24 continued its acquisition binge, it was revealed that the entire scheme was nothing more than a house of
25 cards.

26 3. The Company issued 650,000 shares of SunEdison 6.75% Series A Perpetual Convertible
27 Preferred Stock (the "Preferred Stock") at \$1,000 a share in the Offering on or around August 19, 2015.

1 4. In connection with the Offering, SunEdison made several affirmative misstatements
2 about the Company's financial and liquidity position. In particular, SunEdison issued financial
3 statements and press releases publicizing its acquisition strategy, that the Company was increasing net
4 sales and poised for growth.

5 5. The Registration Statement (and Prospectus incorporated therein) contained materially
6 incorrect or misleading statements and/or omitted material information that was required to be disclosed.
7 Defendants are each strictly liable for such misstatements and omissions therefrom (subject only to their
8 ability to establish a "due diligence" affirmative defense), and are so liable in their capacities as
9 underwriters of the over 650,000 SunEdison Preferred Stock shares sold pursuant to the Offering. For
10 all of the claims stated herein, Plaintiffs expressly disclaim any allegation that could be construed as
11 alleging fraud or intentional or reckless misconduct.

12 6. Furthermore, because this case involves a Registration Statement, Defendants also had an
13 independent, affirmative duty to provide adequate disclosures about adverse conditions, risks, and
14 uncertainties. See Item 303 of SEC Reg. S-K, 17 C.F.R. §229.303(a)(3)(ii). Thus, Defendants had an
15 affirmative duty to ensure that the Registration Statement and the materials incorporated therein
16 disclosed material trends and uncertainties that they knew or should have reasonably expected would
17 have a materially adverse impact on SunEdison's business. Defendants failed to fulfill this obligation.

18 7. Unbeknownst to investors, however, the Registration Statement's representations were
19 materially inaccurate, misleading, and/or incomplete because they failed to disclose, *inter alia*, that the
20 Company was suffering from a massive liquidity crisis, was borrowing money at an unsustainably high
21 level, was extremely overleveraged, and was suffering from a material breakdown in the Company's
22 internal financial controls. Accordingly, the price of the Preferred Stock was artificially and materially
23 inflated at the time of the Offering.

24 8. Unfortunately for investors who purchased the Company's shares pursuant or traceable to
25 the Offering, however, the truth concerning the nature and extent of the problems facing the Company
26 did not begin to emerge until after the Offering.

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1 removed to any court of the United States.” *Id.* Section 16(c) refers to “covered class actions,” which are
 2 defined as lawsuits brought as class actions or brought on behalf of more than 50 persons asserting claims
 3 under state or common law. *See* 15 U.S.C. §77p(c) and (f)(2). This action is asserting federal law claims
 4 and, thus, does not fall within the definition of “covered class action” under Securities Act §16(b)-(c)
 5 and, therefore, is not removable to federal court. *See Luther v. Countrywide Fin. Corp.*, 195 Cal. App.
 6 4th 789, 792 (2011) (“The Federal Securities Act of 1933 . . . as amended by the Securities Litigation
 7 Uniform Standards Act . . . provides for concurrent jurisdiction for cases asserting claims under the 1933
 8 Act”); *Luther v. Countrywide Home Loans Servicing LP*, 533 F.3d 1031, 1032 (9th Cir. 2008)
 9 (“Section 22(a) of the Securities Act of 1933 creates concurrent jurisdiction in state and federal courts
 10 over claims arising under the Act. It also specifically provides that such claims brought in state court are
 11 not subject to removal to federal court.”).

12 15. This Court has personal jurisdiction over each of the Defendants named herein because
 13 they conduct business, were citizens of, and/or took steps to prepare the Offering, in California.
 14 Additionally, many of the Defendants are located within this County and the statements complained of
 15 herein were disseminated into this State.

16 16. Venue is proper in this Court because Defendants’ wrongful acts arose in and emanated
 17 from, in part, this County. The violations of law complained of herein occurred in this County,
 18 including the dissemination of materially misleading statements into this County, the purchase of the
 19 Company’s common stock by members of the Class who reside in this County, and the sale of the
 20 Company’s common stock by certain of the Defendants (as defined below) in this County. In addition,
 21 certain of the Defendants maintain offices of operations in this County.

22 PARTIES

23 A. Plaintiffs

24 17. Plaintiff Charles Bloom purchased a total of 50 shares, at \$836.13 per share, of the
 25 Company’s Preferred Stock on or about September 14, 2015, for a total cost of \$41,806.50, that were
 26 issued pursuant and traceable to the Registration Statement and the Offering, and was damaged thereby.

1 18. Plaintiff Sharon Burnstein purchased a total of 50 shares, at \$836.13 per share, of the
2 Company's Preferred Stock on or about September 14, 2015, for a total cost of \$41,806.50, that were
3 issued pursuant and traceable to the Registration Statement and the Offering, and was damaged thereby.

4 **B. Defendants**

5 19. Defendant Goldman, Sachs & Co. ("Goldman Sachs") was an underwriter of the
6 Company's Offering, served as a financial advisor, and assisted in the preparation and dissemination of
7 SunEdison's false and misleading Registration Statement. Defendant Goldman Sachs conducts business
8 in this County.

9 20. Defendant Merrill Lynch, Pierce, Fenner & Smith Inc. ("Merrill Lynch") was an
10 underwriter of the Company's Offering, served as a financial advisor, and assisted in the preparation and
11 dissemination of SunEdison's false and misleading Registration Statement. Defendant Merrill Lynch
12 conducts business in this County.

13 21. Defendant Deutsche Bank Securities Inc. ("Deutsche Bank") was an underwriter of the
14 Company's Offering, served as a financial advisor, and assisted in the preparation and dissemination of
15 SunEdison's false and misleading Registration Statement. Defendant Deutsche Bank conducts business
16 in this County.

17 22. Defendant Morgan Stanley & Co. LLC ("Morgan Stanley") was an underwriter of the
18 Company's Offering, served as a financial advisor, and assisted in the preparation and dissemination of
19 SunEdison's false and misleading Registration Statement. Defendant Morgan Stanley conducts business
20 in this County.

21 23. Defendant J.P. Morgan Securities LLC ("J.P. Morgan") was an underwriter of the
22 Company's Offering, served as a financial advisor, and assisted in the preparation and dissemination of
23 SunEdison's false and misleading Registration Statement. Defendant J.P. Morgan conducts business in
24 this County.

25 24. Defendant Macquarie Capital (USA) LLC ("Macquarie") was an underwriter of the
26 Company's Offering, served as a financial advisor, and assisted in the preparation and dissemination of
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1 SunEdison's false and misleading Registration Statement. Defendant Macquarie conducts business in
2 this County.

3 25. Defendant MCS Capital Markets LLC ("MCS Capital Markets") was an underwriter of
4 the Company's Offering, served as a financial advisor, and assisted in the preparation and dissemination
5 of SunEdison's false and misleading Registration Statement. Defendant MCS Capital Markets conducts
6 business in this County.

7 **UNDERWRITER LIABILITY**

8 26. Pursuant to the Securities Act, Defendants are liable for the false and misleading
9 statements in the Offering's Registration Statement and Prospectus. Defendants' failure to conduct
10 adequate due diligence investigations was a substantial factor leading to the harm complained of herein.

11 27. Defendants are investment banking houses which specialize, *inter alia*, in underwriting
12 public offerings of securities. They served as the underwriters of the Offering and received, collectively,
13 approximately \$23.4 million in fees. Defendants determined that in return for their share of the
14 Offering, they were willing to merchandize SunEdison stock in the Offering. Defendants arranged a
15 multi-city road show prior to the Offering during which they, and certain representatives of SunEdison,
16 met with potential investors and presented highly favorable information about the Company, its
17 operations, and its financial prospects.

18 28. Defendants also demanded and obtained an agreement from SunEdison that SunEdison
19 would indemnify and hold harmless Defendants from any liability under the federal securities laws.
20 They also made certain that SunEdison purchased millions of dollars in directors and officers liability
21 insurance.

22 29. Representatives of Defendants also assisted SunEdison in planning the Offering, and
23 purportedly conducted an adequate and reasonable investigation into the business and operations of
24 SunEdison, an undertaking known as a "due diligence" investigation. The due diligence investigation
25 was required of Defendants in order to engage in the Offering. During the course of their "due
26 diligence," Defendants had continual access to confidential corporate information concerning
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1 SunEdison's business sales model, financial condition, internal controls, and its future business plans
2 and prospects.

3 30. In addition to availing themselves of access to internal corporate documents, agents of
4 Defendants, including their counsel, met with SunEdison's lawyers, management, and top executives to
5 determine: (i) the strategy to best accomplish the Offering; (ii) the terms of the Offering, including the
6 price at which SunEdison's stock would be sold; (iii) the language to be used in the Registration
7 Statement; (iv) what disclosures about SunEdison would be made in the Registration Statement; and (v)
8 what responses would be made to the SEC in connection with its review of the Registration Statement.
9 As a result of those constant contacts and communications between Defendants' representatives and
10 SunEdison's management and top executives, Defendants knew, or should have known, of SunEdison's
11 existing problems and misstatements and omissions contained in the Registration Statement as detailed
12 herein.

13 31. Defendants caused the Registration Statement to be filed with the SEC and declared
14 effective in connection with offers and sales thereof, including to Plaintiffs and the Class.

15 **SUBSTANTIVE ALLEGATIONS**

16 **I. THE OFFERING AND THE COMPANY'S MATERIALLY MISLEADING AND** 17 **INCOMPLETE REGISTRATION STATEMENT AND PROSPECTUS**

18 32. On or around August 19, 2015, SunEdison conducted the Offering selling 650,000 shares
19 of 6.75% Series A Perpetual Convertible Preferred Stock, par value \$0.01 per share (the "Perpetual
20 Convertible Preferred Stock"), at a price of \$1,000 per share. The offering was expected to close on
21 August 21, 2015. Goldman Sachs, Merrill Lynch, Deutsche Bank, Morgan Stanley, J.P. Morgan, and
22 Macquarie Capital acted as joint book-running managers and MCS Capital Markets acted as co-manager
23 for the Offering.

24 33. The Registration Statement was negligently prepared and, as a result, contained untrue
25 statements of material facts or omitted to state the facts necessary to make the statements not
26 misleading, and was not prepared in accordance with the rules and regulations governing its preparation.
27 Given Defendants' interest was ensuring a favorably high offering price, it is hardly surprising that the
28 Company's Registration Statement and Prospectus incorporated therein again presented a highly

1 positive picture of the Company's business, performance, prospects, and products, while omitting
2 crucial realities.

3 34. The Registration Statement provided the following regarding what documents were
4 "incorporated by reference" in the Offering:

5 The SEC allows us to "incorporate by reference" information into this prospectus
6 supplement, which means that we can disclose important information about us by
7 referring you to another document filed separately with the SEC. The information
8 incorporated by reference is considered to be a part of this prospectus supplement. This
9 prospectus supplement incorporates by reference the documents and reports listed below
(other than portions of these documents that are either (1) described in paragraph (e) of
Item 201 of Registration S-K or paragraphs (d)(1)-(3) and (e)(5) of Item 407 of
Regulation S-K promulgated by the SEC or (2) furnished under Item 2.02 or Item 7.01 of
a Current Report on Form 8-K (including any exhibits included with such items)):

- 10 • our Annual Report on Form 10-K for the fiscal year ended December 31, 2014,
11 filed with the SEC on March 2, 2015, including the information specifically
12 incorporated by reference into our Annual Report on Form 10-K from our
Definitive Proxy Statement on Schedule 14A filed with the SEC on April 17,
2015;
- 13 • our Quarterly Reports on Form 10-Q for the fiscal quarter ended March 31, 2015
14 filed with the SEC on May 7, 2015 and for the fiscal quarter ended June 30, 2015
15 filed with the SEC on August 6, 2015;
- 16 • our Current Reports on Form 8-K filed with the SEC on January 20, 2015,
17 January 22, 2015, January 23, 2015, January 27, 2015, February 3, 2015
18 (excluding Item 7.01 thereof), February 10, 2015, February 13, 2015 (excluding
19 Item 7.01 thereof), March 11, 2015, March 12, 2015, March 12, 2015, April 22,
20 2015, May 8, 2015, May 12, 2015, May 12, 2015, May 13, 2015, May 21, 2015
(as modified by our Current Report on Form 8-K/A filed with the SEC on May
21 21, 2015), May 29, 2015, June 29, 2015, June 29, 2015 (as modified by our
22 Current Report on Form 8-K/A filed with the SEC on July 7, 2015), July 21, 2015
and July 22, 2015 (excluding Item 7.01 thereof); and
- 23 • the description of the Company's common stock, \$.01 par value per share,
24 included in our Current Report on Form 8-K filed with the SEC on September 9,
2013

21 **A. False and Misleading Press Releases Incorporated Into the Registration Statement**
22 **and Prospectus for the Preferred Stock**

23 35. Many of the press releases incorporated by reference into the Registration Statement and
24 Prospectus contained false and misleading information.

25 36. For instance, on May 29, 2014, the Company announced in a press release that
26 TerraForm Power, Inc. ("TerraForm Power"), a YieldCo subsidiary of SunEdison, had filed a
27 registration statement with the SEC for a proposed Initial Public Offering ("IPO"). The press release
28 stated the following, in pertinent part:

[SunEdison] announced that its yieldco subsidiary, TerraForm Power, Inc. ("TerraForm Power"), has publicly filed a registration statement on Form S-1 with the Securities and Exchange Commission (the "Commission") relating to a proposed initial public offering of Class A common stock.

Press Release, *SunEdison, Inc., SunEdison Announces Filing of Registration Statement for Proposed Initial Offering of TerraForm Power, Inc.* (May 29, 2014).

37. Then, on July 17, 2014, TerraForm Power began trading on the NASDAQ at \$33.85 per share – 33% above its IPO price. TerraForm Power offered 20.1 million shares and raised about \$500 million in its IPO, valuing the company at around \$2.4 billion. SunEdison retained nearly 95% of the voting power in the company.

38. Throughout the next year, the Company issued quarterly financial statements showing the Company was increasing net sales and was poised for growth. The Company also continued its acquisition strategy, announcing its acquisition of First Wind Holdings, LLC ("First Wind") for \$2.4 billion in a transaction that was completed on January 29, 2015. To fund these acquisitions, SunEdison raised \$190 million through a secondary offering of shares in Singapore-based SunEdison Semiconductor Ltd, secured a \$400 million credit commitment from several financial institutions, offered \$350 million of convertible senior notes due 2022, and offered \$375 million aggregate principal amount of convertible senior notes due 2023 and \$375 million aggregate principal amount of convertible senior notes due 2025.

39. On May 7, 2015, SunEdison announced that a second of its YieldCos, TerraForm Global, Inc. ("TerraForm Global") had filed a registration statement in preparation for its IPO.

B. The Company Misleads Investors

40. However, the Company continued to take on new debt to fund growth. On June 16, 2015, SunEdison announced in a press release that it had signed a definitive agreement to acquire 100% of Globeleq Mesoamerica Energy ("GME"), a renewable energy company based in Central America. In the press release, Ahmad Chatila ("Chatila"), Chief Executive Officer of SunEdison, touted the expansion of SunEdison, encouraging investors to buy into the big lie that the Company was building a plan of sustainable growth. Chatila stated the following in the press release:

1 The acquisition of GME strengthens SunEdison's leadership position in the global wind
 2 energy market and significantly expands our presence in Central America, a region that
 3 offers growth opportunities for our emerging markets development platform With
 4 this acquisition we not only gain an experienced and talented management team with a
 5 proven track record in the region, but also position ourselves to accelerate our
 6 performance and deliver attractive returns to our shareholders.

7 Press Release, SunEdison, Inc., *SunEdison Signs Definitive Agreement To Acquire GME, Central*
 8 *America's Leading Renewable Energy Company, From Actis and Mesoamerica Power* (June 16, 2015).

9 41. However, unbeknownst to shareholders, this acquisition surge was funded on a house of
 10 cards being propped up by false statements and omissions. Rather than address known needs to increase
 11 revenues and lower debt, the Company again jumped into another acquisition.

12 42. On July 20, 2015, SunEdison announced in a press release that it had entered into a
 13 merger agreement with Vivint Solar, a provider of residential solar systems in the United States, for \$2.2
 14 billion in cash, stock, and convertible notes. Chatila stated the following in the press release:

15 SunEdison's acquisition of Vivint Solar is a logical next step in the transformation of our
 16 platform after the successful execution of our First Wind acquisition in January 2015.

17 We expect the Vivint Solar transaction to create significant value for our stockholders
 18 through the accretion in our TerraForm Power ownership, the acceleration of our
 19 Incentive Distribution Rights and an immediate expansion of our capacity and bandwidth
 20 to grow our residential business in the U.S. and globally. As of the fourth quarter of
 21 2015, our organic growth and recent acquisitions will put SunEdison on track to deploy
 22 more than 1 gigawatt per quarter.

23 Press Release, SunEdison, Inc., *SunEdison and TerraForm Power Announce Definitive Agreement To*
 24 *Acquire Vivint Solar for \$2.2 Billion* (July 20, 2015).

25 43. On the same day, during a conference call, Chatila stated that "[w]ith Vivint Solar, we're
 26 tripling our value."

27 44. Also on July 20, 2015, a *Forbes* article entitled *SunEdison Buys Vivint to Overcome*
 28 *Weakness In Residential Solar* stated that purchasing Vivint "will turn SunEdison into a formidable
 player in the residential market, the one segment in which it hasn't been a key player."

45. However, unbeknownst to investors, and despite Chatila's assurances, SunEdison's
 acquisition plan was not sustainable. Rather than pulling back, the Company again charged ahead.

46. On July 31, 2015, TerraForm Global launched its IPO. Originally, TerraForm Global intended to offer 56.6 million shares for between \$19 and \$21 each to raise a total of \$1 billion. However, SunEdison was ultimately only able to raise \$675 million, selling only 45 million shares at a price of \$15 per share. Following the disappointing IPO, SunEdison's prices began to fall.

47. Still, SunEdison continued to mislead investors into believing that the Company was on the right path. On August 6, 2015, SunEdison issued a press release announcing its financial results for the 2015 second quarter, reporting a loss of \$263 million on \$455 million of revenue. It had a net loss of \$0.93 per share compared to estimates of a net loss of \$0.55 per share. According to its financials, SunEdison's debt now stood at \$11 billion, which included debt from several recent multibillion dollar deals to acquire new wind and solar assets. Once again in the face of increasing debt, Chatila stated the following regarding its growth:

During the second quarter, we continued to balance operational execution while meeting our strategic objectives. On the operations front, our leading organic development engine continues to execute as we exceeded our megawatt (MW) and Retained Cash Available for Distribution (CAFD) guidance, delivering 404 MW and \$63 million, respectively.

In addition, TerraForm Power delivered \$65 million of CAFD and continues to create value for shareholders with its leading DPS growth. Finally, we have largely completed our platform transformation with the agreement to acquire Vivint Solar, a leader in residential solar, as well as the IPO of our Emerging Markets-focused asset ownership platform, TerraForm Global."

Press Release, SunEdison, Inc., *SunEdison Reports Second Quarter 2015 Results* (Aug. 6, 2015).

C. False Statements About the Company's Internal Controls

48. Also incorporated by reference into the Registration Statement and Prospectus were the Company's 10-K and 10-Q filings with the SEC from 2014 and 2015, in which SunEdison made false and misleading representations about the Company's internal controls.

49. Specifically, in these documents, Chatila and Brian Wuebbels ("Wuebbels"), Executive Vice President and Chief Financial Officer of SunEdison, both represented the following:

1. I have reviewed this annual report on Form 10-K of SunEdison, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision; to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's independent registered public accounting firm and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

II. THE MATERIAL, UNDISCLOSED FACTS THAT INVESTORS WERE ENTITLED TO KNOW

50. Unbeknownst to investors or the members of the Class, however, at the time of the Offering, Defendants failed to disclose that the Company was experiencing a serious liquidity crisis, was

1 significantly over-leveraged and borrowing cash to remain in business at an unsustainable rate, and was
2 experiencing a significant breakdown in the Company's internal financial controls.

3 **III. THE TRUTH BEGINS TO EMERGE**

4 51. Unfortunately for investors, however, it was not until October 5, 2015, when SunEdison
5 filed an 8-K with the SEC announcing layoffs of 15% of its workforce and restructuring charges of \$30
6 to \$40 million for Q3 2015 through Q1 2016, that investors first began to learn the truth about the
7 Company's precarious financial and liquidity position.

8 52. The next day, on October 6, 2015, the *Wall Street Journal* reported in an article entitled
9 *SunEdison Won't Complete \$700 Million Buyout of Latin America Power* that as its "woes mount[ed],"
10 SunEdison failed to make a required \$400 million upfront payment for a roughly \$700 million planned
11 acquisition of Latin America Power ("LAP"). The article reported that attorneys for LAP stated that
12 SunEdison was in breach of its obligations under the deal.

13 53. Then, on October 7, 2015, SunEdison lowered its 2016 projections and announced in a
14 press release that it would not sell any projects to TerraForm Power or TerraForm Global that year.
15 Chatila announced on a call with analysts that SunEdison would "pivot to third-party sales" because
16 there was "a disconnect between the value of these underlying assets and what people are willing to pay
17 for them in a yieldco." Even worse, Chatila announced that SunEdison planned to reduce expansion
18 plans in Latin America and other emerging markets, which were the YieldCo's geographic focus.
19 Chatila explained that SunEdison "de-emphasized countries, consolidated divisions and walked away
20 from things that didn't make sense in the current dislocation in the market." In other words, the project
21 acquisition strategy upon which the YieldCos depended to effectuate its business plan would not be
22 carried out.

23 54. On October 8, 2015, *SeekingAlpha* issued report entitled *SunEdison: Is Bankruptcy*
24 *Possible?* noting that SunEdison's cash expenditures are "clearly unsustainable" with the Company
25 burning "around \$3.5 billion in the last four quarters." The article also noted that "SunEdison is over-
26 leveraged" with "shareholders equity of only \$632 million and total liabilities of \$16,925 million, it is
27 possible to calculate a debt to equity ratio of 26.78."

1 55. On February 29, 2016, investors learned more bad news when SunEdison delayed its 10-
2 K filing due to allegations made by former executives on the accuracy of the company's financial
3 position. An audit committee of SunEdison's board, in consultation with outside advisors and counsel,
4 opened an investigation which it warned could cause a reassessment of the company's liquidity and its
5 overall financial standing.

6 56. On March 2, 2016, SunEdison further shocked investors when it announced in a press
7 release that it was suspending payment of the quarterly dividends on the Preferred Stock.

8 57. Then, on March 16, 2016, the Company announced in a press release that it had further
9 postponed the filing of its 10-K "due to the identification by management of material weaknesses in its
10 internal controls over financial reporting," which were causing management to follow "additional
11 procedures" to complete its 2015 financial statements.

12 58. On March 22, 2016, *Reuters* reported that the Company had entered into debtor-in-
13 possession negotiations, a sign that the Company was preparing for a bankruptcy filing.

14 59. On March 31, 2016, the Company disclosed it had received a subpoena from the U.S.
15 Department of Justice for information on its failed attempt to buy Vivint Solar and confirmed it received
16 a "nonpublic, informal" inquiry from the SEC. The Company's 8-K filing with the SEC stated the
17 following:

18 On March 28, 2016, SunEdison, Inc. (the "Company") received a subpoena from the U.S.
19 Department of Justice (the "DOJ") seeking information and documentation relating to: (i)
20 certain financing activities in connection with the Company's acquisition of Vivint Solar,
21 Inc., (ii) the conduct of a former non-executive employee who is alleged to have
22 committed wrongdoing in connection with the Vivint termination negotiations, (iii) the
23 previously disclosed investigations by the Company's audit committee, (iv) intercompany
24 transactions involving the Company and each of TerraForm Power Inc. and TerraForm
25 Global Inc. and (v) the financing of the Company's Uruguay projects in connection with
26 project costs and equity contributions that remain to be contributed by the Company and
27 the DOJ may have additional requests. Also, the Company has received a nonpublic,
28 informal inquiry from Securities and Exchange Commission (the "SEC") covering
similar areas. The Company and the board of directors intend to cooperate with the
DOJ's inquiry and the SEC investigation.

25 60. On this news, shares of SunEdison preferred stock fell from \$37.44 per share on March
26 30, 2016 to \$30 per share on March 31, 2016, for over 19%.

61. In response to those disclosures, the Company's shares fell sharply, falling from the \$1000 issuing price to a closing price on April 1, 2016, of \$20; a staggering drop of 98%.

PLAINTIFFS' CLASS ACTION ALLEGATIONS

62. Plaintiffs bring this action as a class action on behalf of a Class, consisting of all those who purchased the Company's preferred stock pursuant or traceable to the Company's Offering and Registration Statement and who were damaged thereby (the "Class"). Excluded from the Class are Defendants; the officers and directors of the Company at all relevant times; members of their immediate families and their legal representatives, heirs, successors, or assigns; and any entity in which Defendants have or had a controlling interest.

63. The members of the Class are so numerous that joinder of all members is impracticable. While the exact number of Class members is unknown to Plaintiffs at this time and can only be ascertained through appropriate discovery, Plaintiffs believe that there are thousands of members of the proposed Class. The members of the proposed Class may be identified from records maintained by the Company or its transfer agent and may be notified of the pendency of this action by mail, using customary forms of notice that are commonly used in securities class actions.

64. Plaintiffs' claims are typical of the claims of the members of the Class, as all members of the Class are similarly affected by Defendants' wrongful conduct.

65. Plaintiffs will fairly and adequately protect the interests of the members of the Class and have retained counsel competent and experienced in class and securities litigation.

66. Common questions of law and fact exist as to all members of the Class and predominate over any questions solely affecting individual members of the Class. Among the questions of law and fact common to the Class are:

- a. whether the federal securities laws were violated by Defendants' acts as alleged herein;
- b. whether the Prospectus and Registration Statement contained materially false and misleading statements and omissions; and
- c. to what extent Plaintiffs and members of the Class have sustained damages and the proper measure of damages.

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1 Plaintiffs sustained damages, and the price of the Company's common stock declined substantially due
2 to material misstatements in the Registration Statement.

3 74. This claim was brought within one year after the discovery of the untrue statements and
4 omissions and within three years of the date of the Offering.

5 75. By virtue of the foregoing, Plaintiffs and the other members of the Class are entitled to
6 damages under §11 as measured by the provisions of §11(e), from the Defendants and each of them,
7 jointly and severally.

8 **SECOND CLAIM**
9 **Violations of §12(a)(2) of the Securities Act**
10 **Against All Defendants**

11 76. Plaintiffs repeat and reallege each and every allegation contained above as if fully set
12 forth herein.

13 77. Defendants were sellers, offerors, and/or solicitors of purchasers of the Company's
14 securities offered pursuant to the Offering. Defendants issued or caused to be issued, the Registration
15 Statement in connection with the Offering. The Registration Statement was used to induce investors,
16 such as Plaintiffs and the other members of the Class, to purchase the Company's shares.

17 78. The Registration Statement contained untrue statements of material facts, omitted to state
18 other facts necessary to make the statements made not misleading, and omitted material facts required to
19 be stated therein. Defendants' acts of solicitation included participating in the preparation of the false
20 and misleading Registration Statement.

21 79. As set forth more specifically above, the Registration Statement contained untrue
22 statements of material facts and omitted to state material facts necessary in order to make the statements,
23 in light of circumstances in which they were made, not misleading.

24 80. Plaintiffs and the other Class members did not know, nor could they have known, of the
25 untruths or omissions contained in the Registration Statement.

26 81. Defendants were obligated to make a reasonable and diligent investigation of the
27 statements contained in the Registration Statement to ensure that such statements were true and that
28 there was no omission of material fact required to be stated in order to make the statements contained

1 therein not misleading. None of the Defendants made a reasonable investigation or possessed
 2 reasonable grounds for the belief that the statements contained in the Registration Statement were
 3 accurate and complete in all material respects. Had they done so, these Defendants could have known of
 4 the material misstatements and omissions alleged herein.

5 82. This claim was brought within one year after discovery of the untrue statements and
 6 omissions in the Registration Statement and within three years after the Company's shares were sold to
 7 the Class in connection with the Offering.

8 **REQUEST FOR RELIEF**

9 WHEREFORE, Plaintiffs pray for judgment as follows:

10 A. Declaring this action to be a proper class action and certifying Plaintiffs as Class
 11 representatives;

12 B. Awarding Plaintiffs and the other members of the Class compensatory damages;

13 C. Awarding Plaintiffs and the other members of the Class rescission on their §12(a)(2)
 14 claims;

15 D. Awarding Plaintiffs and the other members of the Class pre-judgment and post-judgment
 16 interest, as well as reasonable attorneys' fees, expert witness fees, and other costs and disbursements;
 17 and
 18

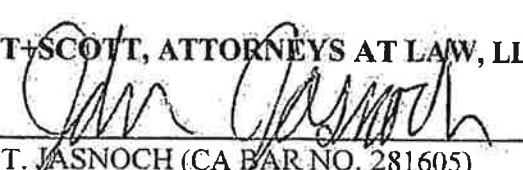
19 E. Awarding Plaintiffs and the other members of the Class such other and further relief as
 20 the Court may deem just and proper.
 21

22 **JURY TRIAL DEMANDED**

23 Plaintiffs hereby demand a trial by jury.

24 DATED: August 11, 2016

25 **SCOTT+SCOTT, ATTORNEYS AT LAW, LLP**

26 
 JOHN T. JASNOCH (CA BAR NO. 281605)

27 707 Broadway, Suite 1000

28 San Diego, CA 92101

Telephone: (619) 233-4565

Facsimile: (619) 233-0508
jjasnoch@scott-scott.com

Thomas L. Laughlin
Joseph V. Halloran (CA BAR NO. 288617)
SCOTT+SCOTT, ATTORNEYS AT LAW, LLP
The Helmsley Building
230 Park Avenue, 17th Floor
New York, NY 10169
Telephone: 212-223-6444
Facsimile: 212-223-6334
tlaughlin@scott-scott.com
jhalloran@scott-scott.com

Geoffrey M. Johnson
SCOTT+SCOTT, ATTORNEYS AT LAW, LLP
12434 Cedar Road, Suite 12
Cleveland Heights, OH 44106
Telephone: (216) 229-6088
Fax: (216) 229-6092
Email: gjohnson@scott-scott.com

*Attorneys for Plaintiffs Charles Bloom and Sharon
Burnstein*

SUM-100

SUMMONS (CITACION JUDICIAL)

NOTICE TO DEFENDANT: (AVISO AL DEMANDADO):

Goldman, Sachs & Co. (Additional Parties Listed on the Attachment Page)

YOU ARE BEING SUED BY PLAINTIFF: (LO ESTÁ DEMANDANDO EL DEMANDANTE):

Charles Bloom and Sharon Burnstein, Individually and on Behalf of All Others Similarly Situated


FOR COURT USE ONLY
(SOLO PARA USO DE LA CORTE)

FILED

SAN MATEO COUNTY

AUG 11 2016

Clerk of the Superior Court

By  DEPUTY CLERK

File By Fax

NOTICE! You have been sued. The court may decide against you without your being heard unless you respond within 30 days. Read the information below.

You have 30 CALENDAR DAYS after this summons and legal papers are served on you to file a written response at this court and have a copy served on the plaintiff. A letter or phone call will not protect you. Your written response must be in proper legal form if you want the court to hear your case. There may be a court form that you can use for your response. You can find these court forms and more information at the California Courts Online Self-Help Center (www.courtinfo.ca.gov/selfhelp), your county law library, or the courthouse nearest you. If you cannot pay the filing fee, ask the court clerk for a fee waiver form. If you do not file your response on time, you may lose the case by default, and your wages, money, and property may be taken without further warning from the court.

There are other legal requirements. You may want to call an attorney right away. If you do not know an attorney, you may want to call an attorney referral service. If you cannot afford an attorney, you may be eligible for free legal services from a nonprofit legal services program. You can locate these nonprofit groups at the California Legal Services Web site (www.lawhelpcalifornia.org), the California Courts Online Self-Help Center (www.courtinfo.ca.gov/selfhelp), or by contacting your local court or county bar association. **NOTE:** The court has a statutory lien for waived fees and costs on any settlement or arbitration award of \$10,000 or more in a civil case. The court's lien must be paid before the court will dismiss the case.

¡AVISO! Lo han demandado. Si no responde dentro de 30 días, la corte puede decidir en su contra sin escuchar su versión. Lea la información a continuación.

Tiene 30 DÍAS DE CALENDARIO después de que le entreguen esta citación y papeles legales para presentar una respuesta por escrito en esta corte y hacer que se entregue una copia al demandante. Una carta o una llamada telefónica no lo protegen. Su respuesta por escrito tiene que estar en formato legal correcto si desea que procesen su caso en la corte. Es posible que haya un formulario que usted pueda usar para su respuesta. Puede encontrar estos formularios de la corte y más información en el Centro de Ayuda de las Cortes de California (www.sucorte.ca.gov), en la biblioteca de leyes de su condado o en la corte que le quede más cerca. Si no puede pagar la cuota de presentación, pida al secretario de la corte que le dé un formulario de exención de pago de cuotas. Si no presenta su respuesta a tiempo, puede perder el caso por incumplimiento y la corte le podrá quitar su sueldo, dinero y bienes sin más advertencia.

Hay otros requisitos legales. Es recomendable que llame a un abogado inmediatamente. Si no conoce a un abogado, puede llamar a un servicio de remisión a abogados. Si no puede pagar a un abogado, es posible que cumpla con los requisitos para obtener servicios legales gratuitos de un programa de servicios legales sin fines de lucro. Puede encontrar estos grupos sin fines de lucro en el sitio web de California Legal Services, (www.lawhelpcalifornia.org), en el Centro de Ayuda de las Cortes de California, (www.sucorte.ca.gov) o poniéndose en contacto con la corte o el colegio de abogados locales. **AVISO:** Por ley, la corte tiene derecho a reclamar las cuotas y los costos exentos por imponer un gravamen sobre cualquier recuperación de \$10,000 o más de valor recibida mediante un acuerdo o una concesión de arbitraje en un caso de derecho civil. Tiene que pagar el gravamen de la corte antes de que la corte pueda desechar el caso.

The name and address of the court is:
(El nombre y dirección de la corte es):

Superior Court of California, County of San Mateo Southern Branch
400 County Center, Redwood City, CA 94063

CASE NUMBER:
(Número del Caso):

16CIV00884

The name, address, and telephone number of plaintiff's attorney, or plaintiff without an attorney, is:

(El nombre, la dirección y el número de teléfono del abogado del demandante, o del demandante que no tiene abogado, es):

John T. Jasnoch, 707 Broadway, Suite 1000, San Diego, CA 92101, 619-233-4565

DATE:
(Fecha)

AUG 11 2016

Clerk, by
(Secretario)

RODINA M. CATALANO

Deputy
(Adjunto)

(For proof of service of this summons, use Proof of Service of Summons (form POS-010).)

(Para prueba de entrega de esta citación use el formulario Proof of Service of Summons, (POS-010)).



NOTICE TO THE PERSON SERVED: You are served

1. ☐ as an individual defendant.
2. ☐ as the person sued under the fictitious name of (specify):
3. ☐ on behalf of (specify):

under: <input type="checkbox"/> CCP 416.10 (corporation)	<input type="checkbox"/> CCP 416.05 (minor)
<input type="checkbox"/> CCP 416.20 (defunct corporation)	<input type="checkbox"/> CCP 416.70 (conservatee)
<input type="checkbox"/> CCP 416.40 (association or partnership)	<input type="checkbox"/> CCP 416.90 (authorized person)
<input type="checkbox"/> other (specify):	
4. ☐ by personal delivery on (date):

16 - CIV - 00884

SUM

Summons Issued / Filed
146756



SUM-200(A)

SHORT TITLE:

Bloom v. Goldman, Sachs & Co.

CASE NUMBER:

16CIV00884

INSTRUCTIONS FOR USE

- This form may be used as an attachment to any summons if space does not permit the listing of all parties on the summons.
- If this attachment is used, insert the following statement in the plaintiff or defendant box on the summons: "Additional Parties Attachment form is attached."

List additional parties (Check only one box. Use a separate page for each type of party.):

☐ Plaintiff ☒ Defendant ☐ Cross-Complainant ☐ Cross-Defendant

MERRILL LYNCH, PIERCE, FENNER & SMITH INC., DEUTSCHE BANK SECURITIES INC.,
MORGAN STANLEY & CO. LLC, J.P. MORGAN SECURITIES LLC, MACQUARIE CAPITAL (USA)
INC., and MCS CAPITAL MARKETS LLC

Page 2 of 2

Page 1 of 1

CM-010

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, State Bar number, and address): John T. Jasnoch (CA 281605) Scott+Scott, Attorneys at Law, LLP 707 Broadway, Suite 1000 San Diego, CA 92101 TELEPHONE NO.: 619-233-4565 FAX NO.: 619-233-0508 ATTORNEY FOR (Name): Plaintiffs Charles Bloom and Sharon Burnstein		FOR COURT USE ONLY <div style="font-size: 24pt; font-weight: bold; margin: 10px 0;">FILED</div> <div style="font-size: 18pt; font-weight: bold; margin: 5px 0;">SAN MATEO COUNTY</div> <div style="font-size: 18pt; margin: 10px 0;">AUG 11 2016</div> <div style="margin: 5px 0;">Clerk of the Superior Court</div> <div style="margin: 5px 0;">By DEPUTY CLERK</div>
SUPERIOR COURT OF CALIFORNIA, COUNTY OF San Mateo STREET ADDRESS: 400 County Center MAILING ADDRESS: CITY AND ZIP CODE: Redwood City 94063 BRANCH NAME: Southern Branch		
CASE NAME: Bloom v. Goldman, Sachs & Co.		
CIVIL CASE COVER SHEET <input checked="" type="checkbox"/> Unlimited (Amount demanded exceeds \$25,000)	<input type="checkbox"/> Limited (Amount demanded is \$25,000 or less)	

Complex Case Designation <input type="checkbox"/> Counter <input type="checkbox"/> Joinder Filed with first appearance by defendant (Cal. Rules of Court, rule 3.402)	CASE NUMBER: <div style="font-size: 24pt; font-weight: bold;">16CIV00884</div>
JUDGE: DEPT:	

File By Fax

Items 1-6 below must be completed (see instructions on page 2).

1. Check one box below for the case type that best describes this case:

Auto Tort <input type="checkbox"/> Auto (22) <input type="checkbox"/> Uninsured motorist (46) Other PI/PD/WD (Personal Injury/Property Damage/Wrongful Death) Tort <input type="checkbox"/> Asbestos (04) <input type="checkbox"/> Product liability (24) <input type="checkbox"/> Medical malpractice (45) <input type="checkbox"/> Other PI/PD/WD (23) Non-PI/PD/WD (Other) Tort <input type="checkbox"/> Business tort/unfair business practice (07) <input type="checkbox"/> Civil rights (08) <input type="checkbox"/> Defamation (13) <input type="checkbox"/> Fraud (16) <input type="checkbox"/> Intellectual property (19) <input type="checkbox"/> Professional negligence (25) <input type="checkbox"/> Other non-PI/PD/WD tort (35) Employment <input type="checkbox"/> Wrongful termination (36) <input type="checkbox"/> Other employment (15)	Contract <input type="checkbox"/> Breach of contract/warranty (06) <input type="checkbox"/> Rule 3.740 collections (09) <input type="checkbox"/> Other collections (09) <input type="checkbox"/> Insurance coverage (18) <input type="checkbox"/> Other contract (37) Real Property <input type="checkbox"/> Eminent domain/Inverse condemnation (14) <input type="checkbox"/> Wrongful eviction (33) <input type="checkbox"/> Other real property (26) Unlawful Detainer <input type="checkbox"/> Commercial (31) <input type="checkbox"/> Residential (32) <input type="checkbox"/> Drugs (38) Judicial Review <input type="checkbox"/> Asset forfeiture (05) <input type="checkbox"/> Petition re: arbitration award (11) <input type="checkbox"/> Writ of mandate (02) <input type="checkbox"/> Other judicial review (39)	Provisionally Complex Civil Litigation (Cal. Rules of Court, rules 3.400-3.403) <input type="checkbox"/> Antitrust/Trade regulation (03) <input type="checkbox"/> Construction defect (10) <input type="checkbox"/> Mass tort (40) <input checked="" type="checkbox"/> Securities litigation (28) <input type="checkbox"/> Environmental/Toxic tort (30) <input type="checkbox"/> Insurance coverage claims arising from above listed provisionally complex case types (41) Enforcement of Judgment <input type="checkbox"/> Enforcement of judgment (20) Miscellaneous Civil Complaint <input type="checkbox"/> RICO (27) <input type="checkbox"/> Other complaint (not specified above) (42) Miscellaneous Civil Petition <input type="checkbox"/> Partnership and corporate governance (21) <input type="checkbox"/> Other petition (not specified above) (43)
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16 - CIV - 00884

CCCS Civil Case Cover Sheet 146755



2. This case ☒ is ☐ is not complex under rule 3.400 of the California Rules of Court. If the case is complex, mark the factors requiring exceptional judicial management:
- | | |
|---|---|
| a. <input checked="" type="checkbox"/> Large number of separately represented parties
b. <input checked="" type="checkbox"/> Extensive motion practice raising difficult or novel issues that will be time-consuming to resolve
c. <input checked="" type="checkbox"/> Substantial amount of documentary evidence | d. <input checked="" type="checkbox"/> Large number of witnesses
e. <input type="checkbox"/> Coordination with related actions pending in one or more courts in other counties, states, or countries, or in a federal court
f. <input type="checkbox"/> Substantial postjudgment judicial supervision |
|---|---|
3. Remedies sought (check all that apply): a. ☒ monetary b. ☐ nonmonetary; declaratory or injunctive relief c. ☐ punitive
4. Number of causes of action (specify): **Three; Violations of Sections 11, 12, and 15 of the Securities Act of 1933**
5. This case ☒ is ☐ is not a class action suit.
6. If there are any known related cases, file and serve a notice of related case. (You may use form CM-015.)

Date: **8/11/2016**

John T. Jasnoch

(TYPE OR PRINT NAME)

(SIGNATURE OF PARTY OR ATTORNEY FOR PARTY)

NOTICE

- Plaintiff must file this cover sheet with the first paper filed in the action or proceeding (except small claims cases or cases filed under the Probate Code, Family Code, or Welfare and Institutions Code). (Cal. Rules of Court, rule 3.220.) Failure to file may result in sanctions.
- File this cover sheet in addition to any cover sheet required by local court rule.
- If this case is complex under rule 3.400 et seq. of the California Rules of Court, you must serve a copy of this cover sheet on all other parties to the action or proceeding.
- Unless this is a collections case under rule 3.740 or a complex case, this cover sheet will be used for statistical purposes only.

Page 1 of 2

Attorney or Party without Attorney (Name/Address) John T. Jasnoch (CA 281605) Scott+Scott, Attorneys at Law, LLP 707 Broadway, Suite 1000, San Diego, CA 92101 Telephone: 619-233-4565 State Bar No.: CA 281605 Attorney for: Plaintiffs Charles Bloom & Sharon Burnstein SUPERIOR COURT OF CALIFORNIA COUNTY OF SAN MATEO 400 COUNTY CENTER REDWOOD CITY, CA 94063	FOR COURT USE ONLY FILED SAN MATEO COUNTY AUG 11 2016 Clerk of the Superior Court By <u>[Signature]</u> DEPUTY CLERK
Plaintiff Charles Bloom & Sharon Burnstein Defendant Goldman, Sachs & Co., et al.	
Certificate Re Complex Case Designation	Case Number 16CV00884

File By Fax

This certificate must be completed and filed with your Civil Case Cover Sheet if you have checked a Complex Case designation or Counter-Designation

1. In the attached Civil Case Cover Sheet, this case is being designated or counter-designated as a complex case [or as not a complex case] because at least one or more of the following boxes has been checked:

- ☒ Box 1 – Case type that is best described as being [or not being] provisionally complex civil litigation (i.e., antitrust or trade regulation claims, construction defect claims involving many parties or structures, securities claims or investment losses involving many parties, environmental or toxic tort claims involving many parties, claims involving mass torts, or insurance coverage claims arising out of any of the foregoing claims).
- ☒ Box 2 – Complex [or not complex] due to factors requiring exceptional judicial management
- ☒ Box 5 – Is [or is not] a class action suit.

2. This case is being so designated based upon the following supporting information [including, without limitation, a brief description of the following factors as they pertain to this particular case: (1) management of a large number of separately represented parties; (2) complexity of anticipated factual and/or legal issues; (3) numerous pretrial motions that will be time-consuming to resolve; (4) management of a large number of witnesses or a substantial amount of documentary evidence; (5) coordination with related actions

 16 - CIV - 00884
 CCCD
 Certificate Re: Complex Case Designation
 146762


pending in one or more courts in other counties, states or countries or in a federal court; (6) whether or not certification of a putative class action will in fact be pursued; and (7) substantial post-judgment judicial supervision]:

1, 4, and 6. This is a securities class action under the Securities Act of 1933
that seven underwriters with using false and misleading statements on their
August 19, 2015 Offering of preferred stock. The Defendants will obtain
separate counsel, there will be a large number of witnesses and a substantial
amount of documentary evidence, and Plaintiffs will seek class certification.

(attach additional pages if necessary)

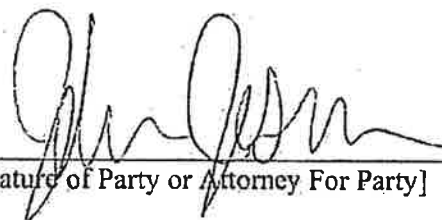
3. Based on the above-stated supporting information, there is a reasonable basis for the complex case designation or counter-designation [or noncomplex case counter-designation] being made in the attached Civil Case Cover Sheet.

I, the undersigned counsel or self-represented party, hereby certify that the above is true and correct and that I make this certification subject to the applicable provisions of California Code of Civil Procedure, Section 128.7 and/or California Rules of Professional Conduct, Rule 5-200 (B) and San Mateo County Superior Court Local Rules, Local Rule 2.30.

Dated: 8/11/2016

John T. Jasnoch

[Type or Print Name]


[Signature of Party or Attorney For Party]

NOTICE OF CASE MANAGEMENT CONFERENCE

Charles Bloom, et alCase No: 16CIV00884Goldman, Sachs + Co, et al

vs.

Date: 12/9/1616-CIV-00884
NCMC
Notice of Case Management Conference
146757**FILED**
SAN MATEO COUNTY

AUG 11 2016

Clerk of the Superior Court

Time 9:00 a.m.

Dept. _____

--on Tuesday & Thursday

Dept. 21

--on Wednesday & Friday

You are hereby given notice of your Case Management Conference. The date, time and department have been written above.

1. In accordance with applicable California Rules of the Court and local Rules 2.3(d)1-4 and 2.3(m), you are hereby ordered to:
 - a) Serve all named defendants and file proofs of service on those defendants with the court within 60-days of filing the complaint (CRC 201.7).
 - b) Serve a copy of this notice, Case Management Statement and ADR Information Sheet on all named parties in this action.
 - c) File and serve a completed Case Management Statement at least 15-days before the Case Management Conference [CRC 212(g)]. Failure to do so may result in monetary sanctions.
 - d) Meet and confer, in person or by telephone, to consider each of the issues identified in CRC 212(f) no later than 30-days before the date set for the Case Management Conference.
2. If you fail to follow the orders above, you are ordered to show cause why you should not be sanctioned. The Order to Show Cause hearing will be at the same time as the Case Management Conference hearing. Sanctions may include monetary, evidentiary or issue sanctions as well as striking pleadings and/or dismissal.
3. Continuances of Case Management Conferences are highly disfavored unless good cause is shown.
4. Parties may proceed to an appropriate dispute resolution process ("ADR") by filing a Stipulation to ADR and Proposed Order (see attached form). If plaintiff files a Stipulation to ADR and Proposed Order electing to proceed to judicial arbitration, the Case Management Conference will be taken off the court calendar and the case will be referred to the Arbitration Administrator. If plaintiffs and defendants file a completed stipulation to another ADR process (e.g., mediation) 10-days prior to the first scheduled Case Management Conference, the Case Management Conference will be continued for 90-days to allow parties time to complete their ADR session. The court will notify parties of their new Case Management Conference date.
5. If you have filed a default or a judgment has been entered, your case is not automatically taken off Case Management Conference Calendar. If "Does", "Roes," etc. are named in your complaint, they must be dismissed in order to close the case. If any party is in bankruptcy, the case is stayed only as to that named party.
6. You are further ordered to appear in person* (or through your attorney of record) at the Case Management Conference noticed above. You must be thoroughly familiar with the case and fully authorized to proceed.
7. The Case Management judge will issue orders at the conclusion of the conference that may include:
 - a) Referring parties to voluntary ADR and setting an ADR completion date;
 - b) Dismissing or severing claims or parties;
 - c) Setting a trial date.
8. The Case Management judge may be the trial judge in this case.

For further information regarding case management policies and procedures, see the court's website at: www.sanmateocourt.org

*Telephonic appearances at case management conferences are available by contacting CourtCall, LLC, an independent vendor, at least five business days prior to the scheduled conference (see attached CourtCall information).